

28 February 2008

Nancy M. Morris  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

**Re: Enhanced Disclosure and New Prospectus Delivery Option for Registered Open-End Management Investment Companies—File No. S7-28-07**

Dear Ms. Morris:

The CFA Institute Centre for Financial Market Integrity (CFA Institute Centre)<sup>1</sup> appreciates the opportunity to comment on this SEC rule proposal whereby registered investment companies could use a summary prospectus to provide essential information to investors while satisfying its statutory delivery obligations. We believe that use of a summary prospectus, written in plain English, would be a major step forward in reducing the confusion to investors as they try to ascertain the information they need in order to make meaningful investment decisions.

As the staff considers the comments received on the specifics of this proposal, we urge that the final rule still maintain an approach that requires or eliminates certain disclosure, rather than adopting an approach that makes certain information discretionary. Inconsistencies in either the provision of substantive information or the format in which it is presented will undermine a fundamental goal—to provide the investor with meaningful information in a readable format.

**Comments**

We strongly support the intent, through this rule proposal, to provide investors with more direct and understandable information. History has shown that more information alone is not necessarily in the best interests of investors; instead, investors need to receive information that addresses the key areas, in a concise and readable way—both in language and presentation. We have long supported initiatives to simplify

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<sup>1</sup> The CFA Institute Centre for Financial Market Integrity is part of CFA Institute. With headquarters in Charlottesville, VA, and regional offices in New York, Hong Kong, and London, CFA Institute is a global, not-for-profit professional association of more than 94,500 investment analysts, portfolio managers, investment advisors, and other investment professionals in 133 countries of whom more than 79,800 are holders of the Chartered Financial Analyst® (CFA®) designation. The CFA Institute membership also includes 135 member societies in 56 countries and territories.





In a time of electronic accessibility, this approach is in keeping with movement taken by the SEC through other proposals to streamline the process and reduce expenses to investment companies, while preserving investor protections. Given that a fund would have to provide investors with a paper copy upon request and that this is made clear, we believe that the investor's access to full disclosure is preserved.

## **Conclusion**

We support the Commission's proposal to adopt the use of a summary prospectus aimed at providing investors with straightforward information in a straightforward manner. We believe that by focusing on the amount, type, and format of information provided to investors, the summary prospectus will serve to eliminate a range of confusions and ease the investor's ability to compare among investment options.

We appreciate the opportunity to comment on this proposal. Should you have any questions about the views expressed herein or need additional information, please feel free to contact Kurt Schacht at 212.756.7728 or by e-mail at [kurt.schacht@cfainstitute.org](mailto:kurt.schacht@cfainstitute.org) or Linda Rittenhouse at 434.951.5333 or by e-mail at [linda.rittenhouse@cfainstitute.org](mailto:linda.rittenhouse@cfainstitute.org).

Sincerely,

/s/ Kurt N. Schacht, CFA

Executive Director  
CFA Institute Centre for  
Financial Market Integrity

/s/ Linda L. Rittenhouse

Senior Policy Analyst  
CFA Institute Centre for  
Financial Market Integrity